جمعية البنوك في الأردن
ASSOCIATION OF BANKS IN JORDAN

Sustainability reporting and the GRI Standards

November 15, 2017

SUSTAINABILITY
EXCELLENCE

Sustainability reporting and the GRI Standards

1. Sustainability management
2. Sustainability reporting and the GRI
3. Sustainability data users

Sustainability Excellence

SUSTAINABILITY
EXCELLENCE

- Supported: 1st company, 1st government entity, 1st NGO to use GRI
- Over 50% of regional GRI reports are clients
- Regional data partner of the GRI
- Hosted the launch of the new GRI Standards in 2017
- Track over 500 regional companies performance

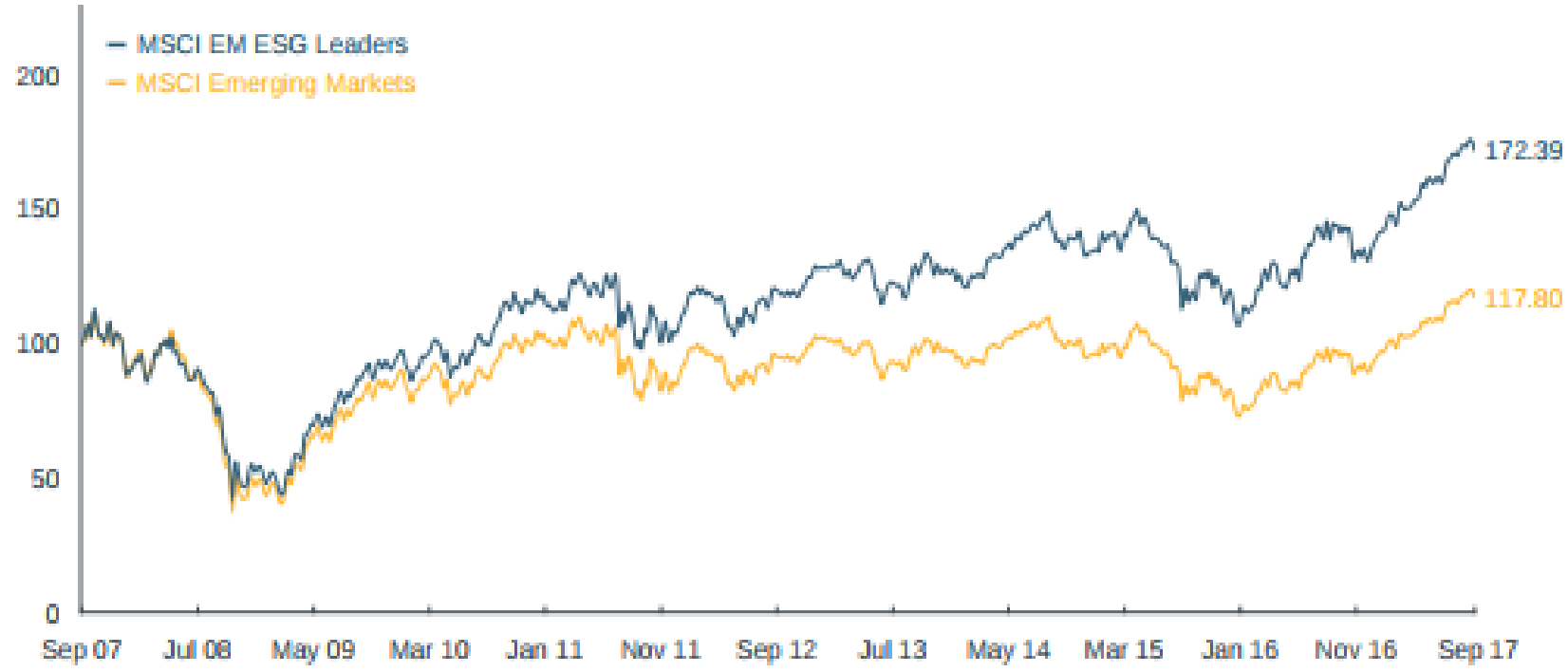
Sustainability management

Sustainability management is the integrated management of economic, social and environmental performance for the purpose of maximizing benefits to both investors and society.

It helps companies identify social, environmental, economic and governance risks and opportunities that significantly impact the financial success and valuation of companies.

Sustainability = Market outperformance

CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (SEP 2007 – SEP 2017)



ANNUAL PERFORMANCE (%)

Year	MSCI EM ESG Leaders	MSCI Emerging Markets
2016	13.83	11.60
2015	-11.99	-14.60
2014	5.20	-1.82
2013	1.63	-2.27
2012	21.64	18.63
2011	-12.78	-18.17
2010	25.88	19.20
2009	76.07	79.02
2008	-48.32	-53.18

SUSTAINABILITY
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Overall benefits of sustainability

Risk management

Anticipate regulations

Reduce costs

Stakeholders satisfaction

Customer satisfaction and trust

Employee attraction and retention

Brand recognition

Source of innovation

Access new markets

Increased profit

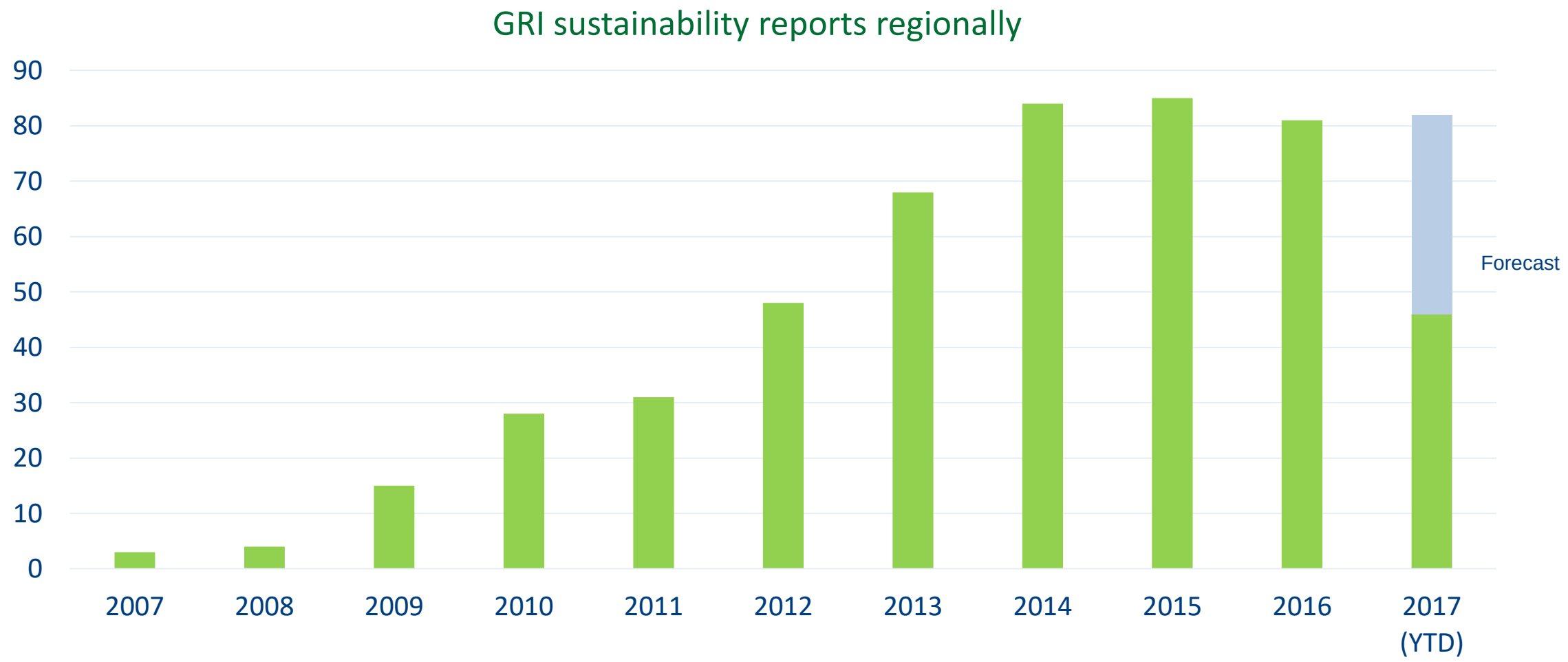
Sustainability management

SUSTAINABILITY EXCELLENCE

Sustainability reporting

A sustainability report is a report published by a company or organization about the **economic, environmental and social impacts** caused by its everyday activities. A sustainability report also presents the **organization's values and governance model,** and demonstrates the link between its strategy and its commitment to a sustainable global economy.

Sustainability reporting - trends



Data from
ArabSustainability.com

SUSTAINABILITY
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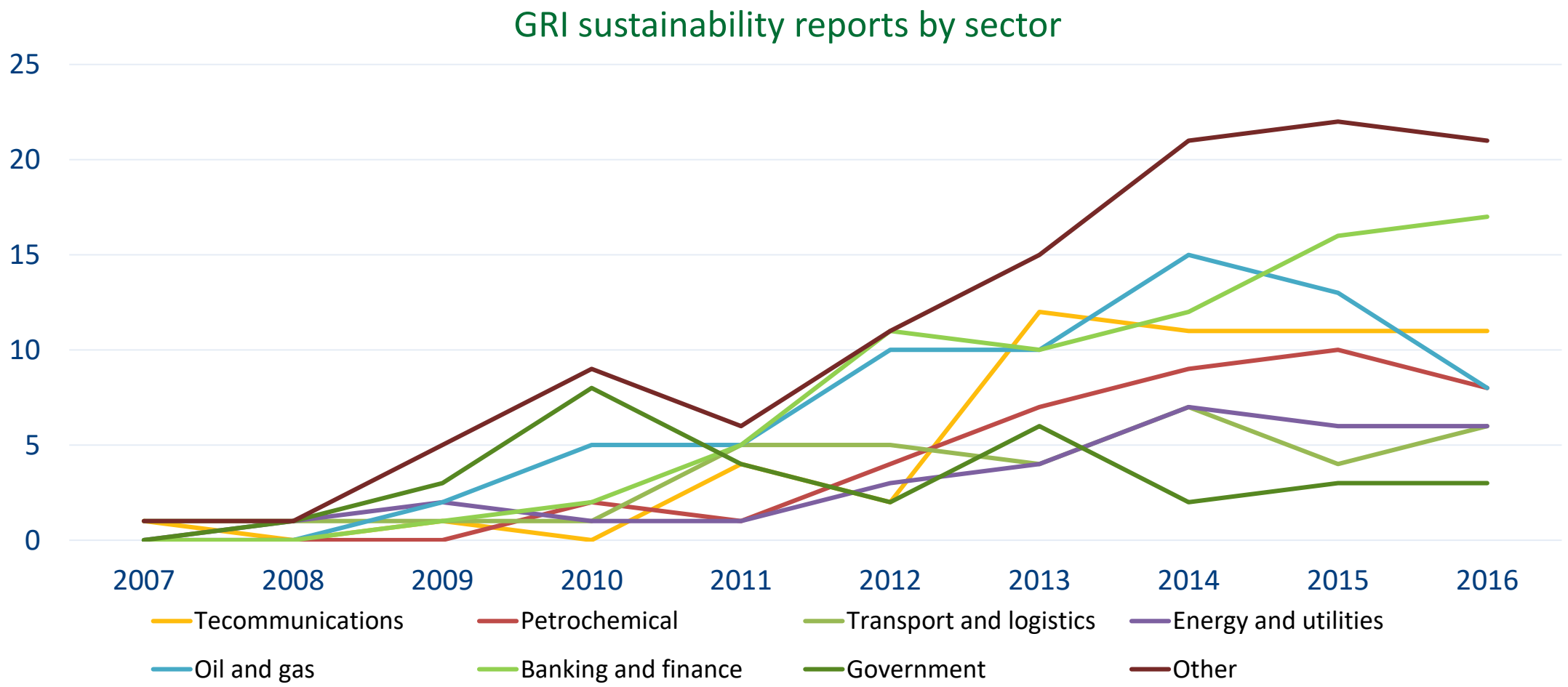
Sustainability reporting - trends



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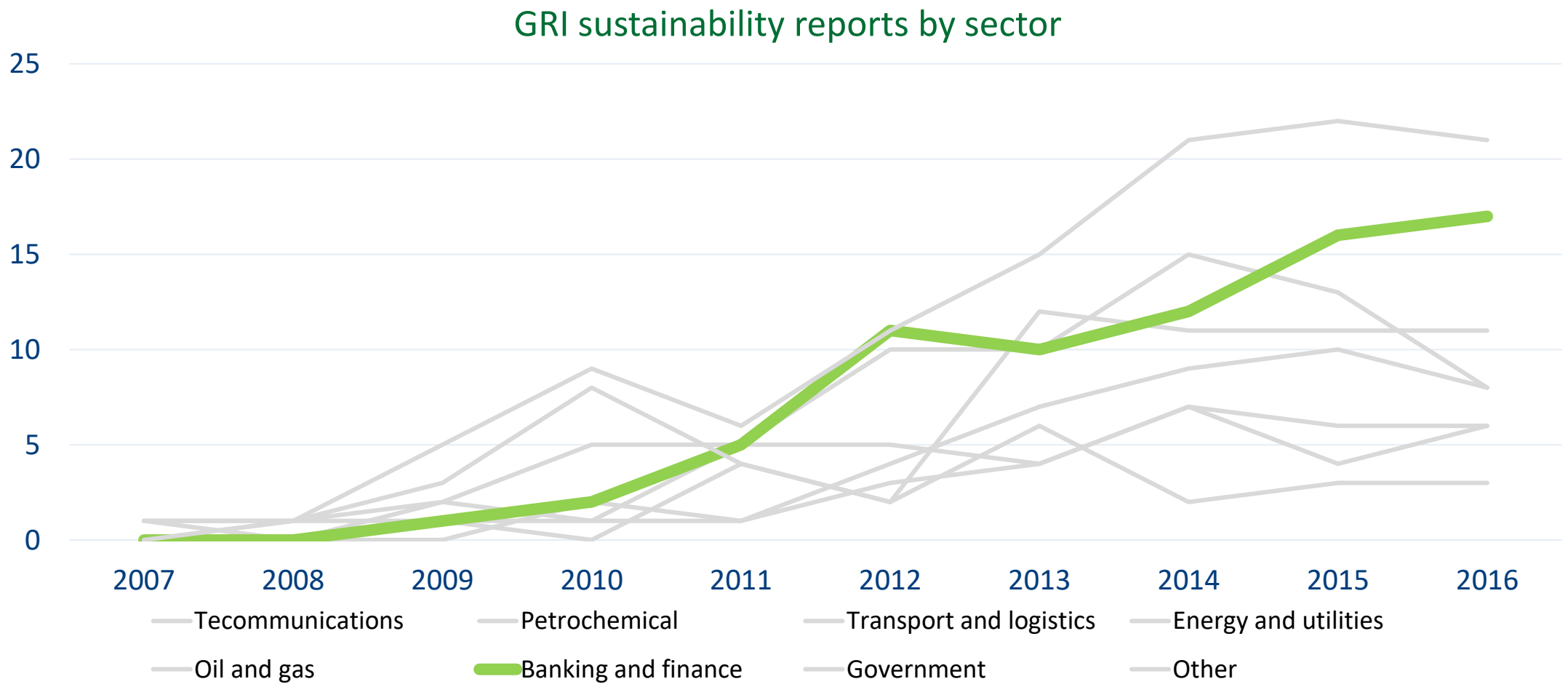
Sustainability reporting - trends



Data from
ArabSustainability.com

SUSTAINABILITY
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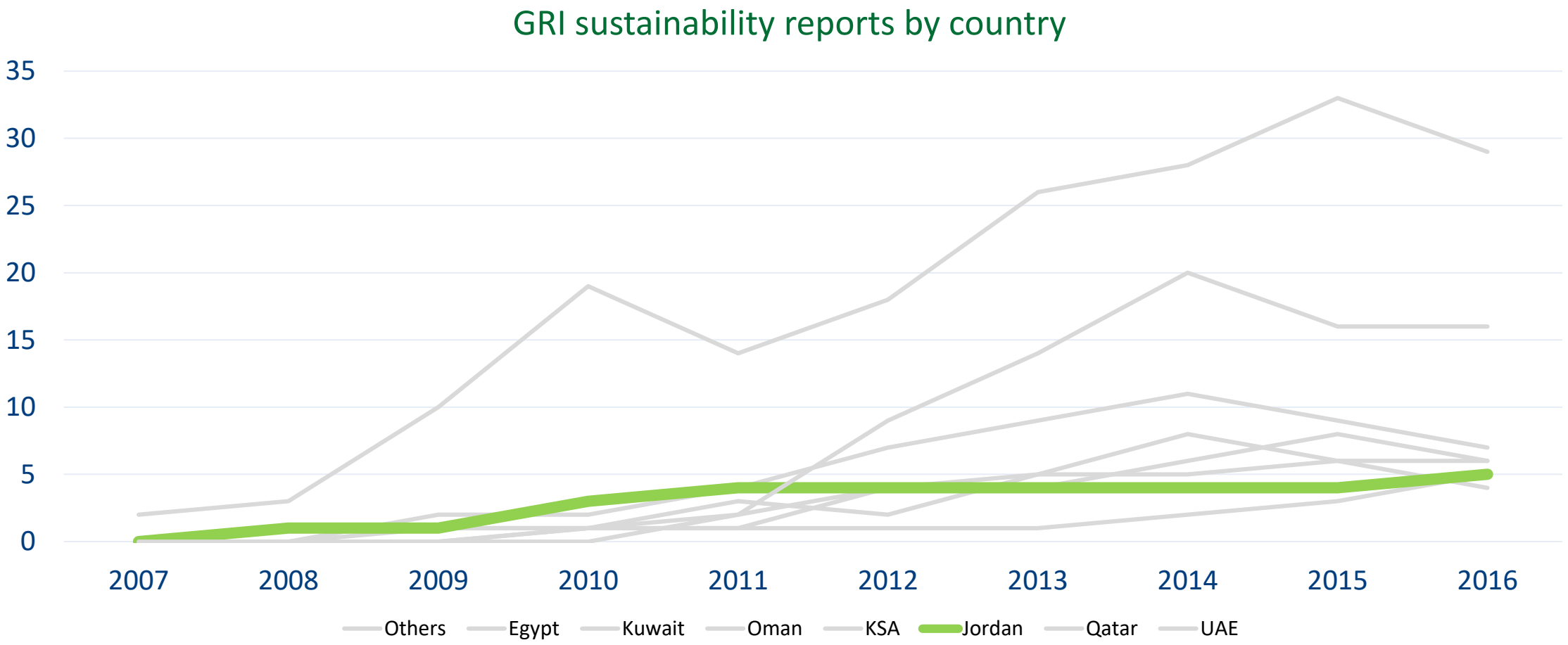
Sustainability reporting - trends



Data from
ArabSustainability.com

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Sustainability reporting - GRI

GRI Empowering Sustainable Decisions

1997
GRI founded in Boston by UNEP, Ceres, and the Tellus Institute

2000
G1 – First ever Guidelines released

2002
G2 Guidelines

2006
G3 Guidelines

2011
G3.1

2013
G4 Guidelines

2015
GRI establishes separate Standards Board (GSSB)

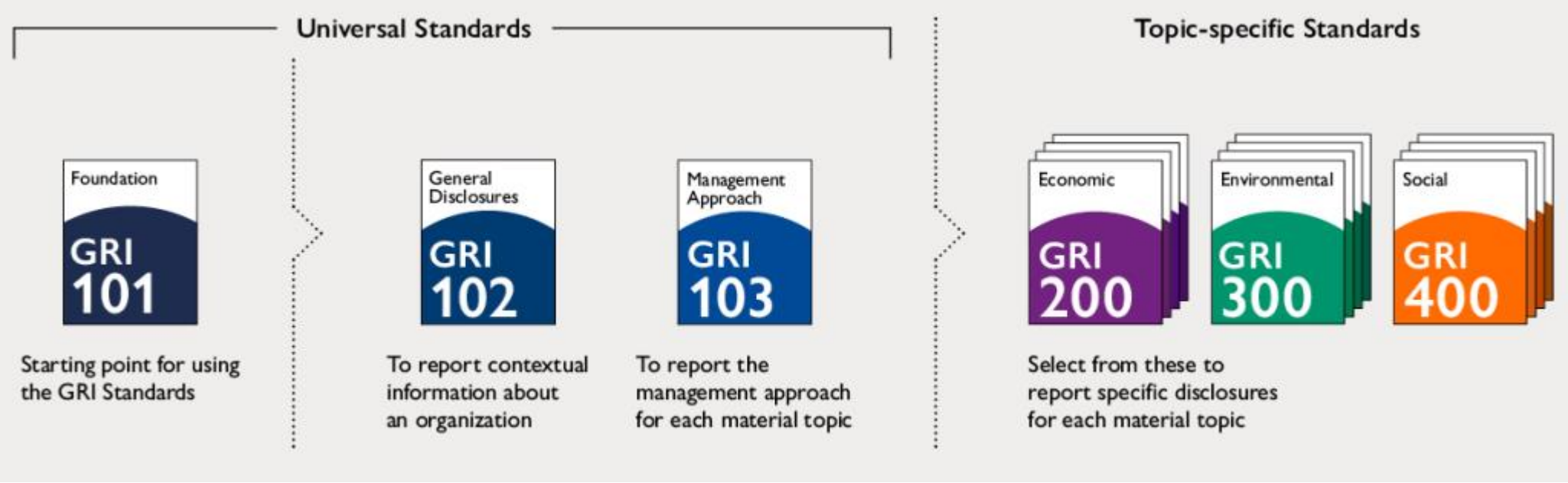
2016

GRI STANDARDS

Sustainability reporting - GRI

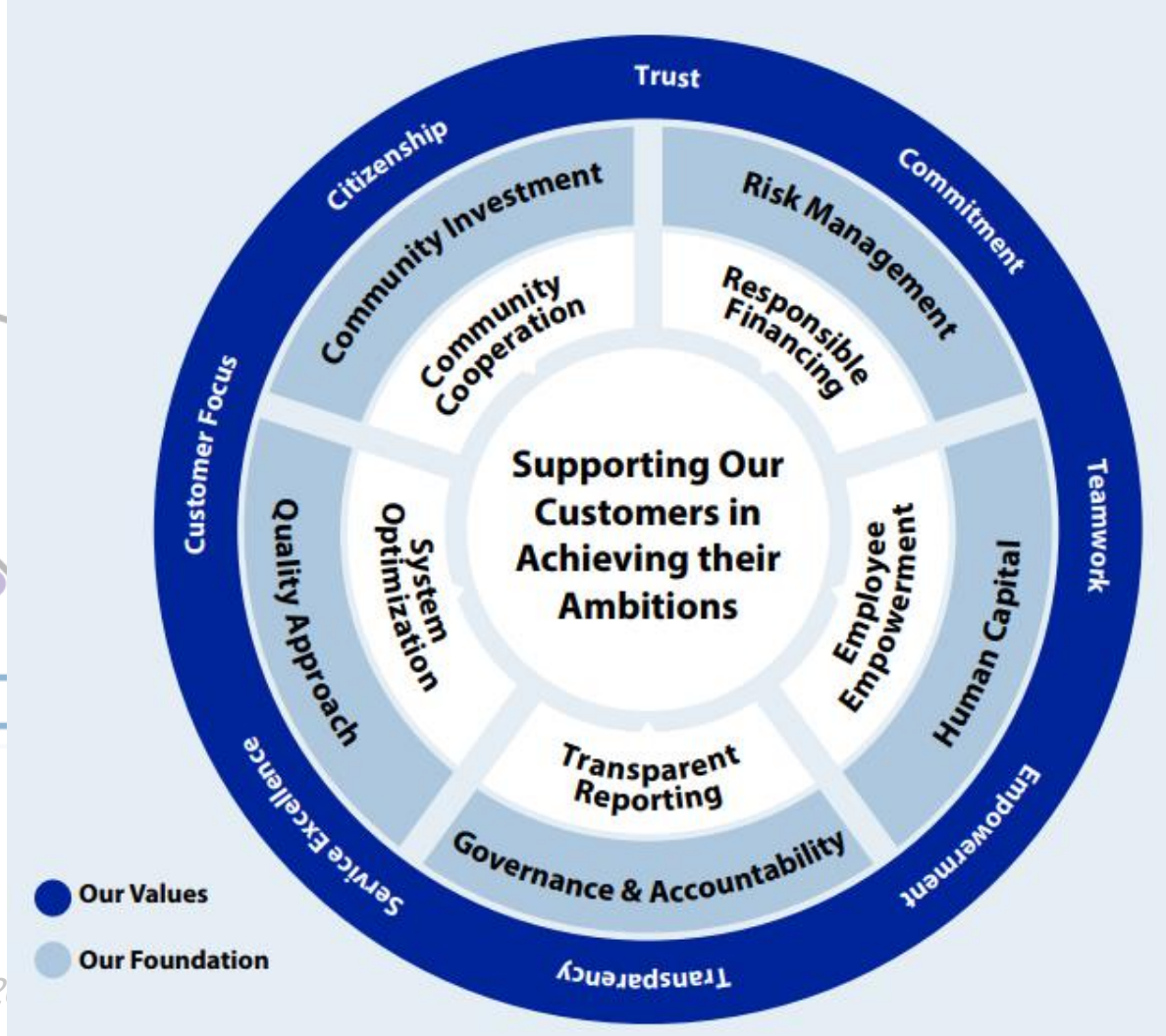
GRI STANDARDS

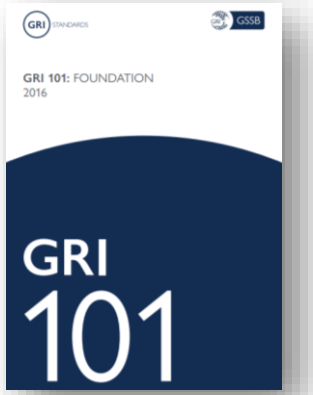
www.globalreporting.org/standards/



Sustainability reporting – example

- Material issues and sustainability framework



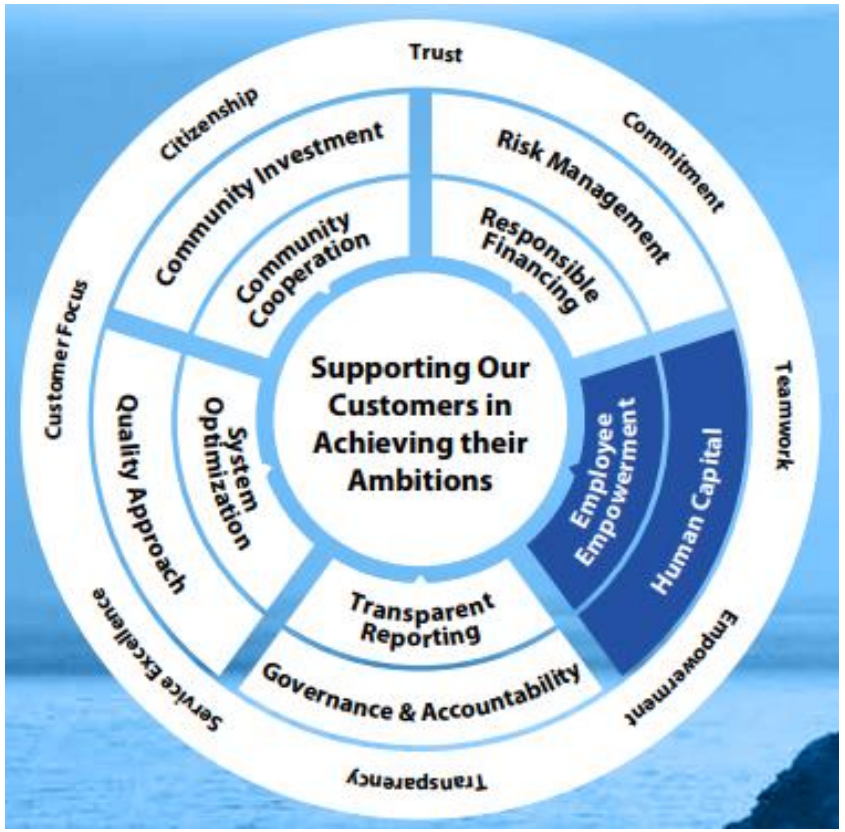


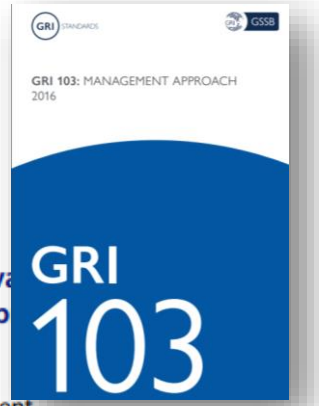
14 ESG Topics in Portfolio
15 Communicate Transparently with Customers
16 Offering Sustainable Products and Services
17 Diversity and Equal Opportunity
18 Risk Behavior and Culture
19 Employees Wellbeing
20 Employees Engagement
21 GHG Emissions
22 Water Usage
23 Energy Usage
24 Material Consumption
25 Managing impacts of our supply chain

Arab Bank Sustainability Report 2

Sustainability reporting – example

- Management approach to key material issues





Employee Training and Development

We operate in a skill-centered and fast moving industry where our strongest competitive adva lies in the knowledge and skills of our employees. Thus, investing in the learning and develop employees is our foremost sustainability objective.

Training courses are designed and developed internally or in collaboration with training vendors based on assessment of employees' training and development needs. The aim of our training programs is to provide employees with skills and capacity building opportunities that meet the needs and expectations of our operations. Our training programs include internal and external training opportunities. Employee career development is also ensured through several tools including talent management and succession planning.

Online Interactive Career Path Model

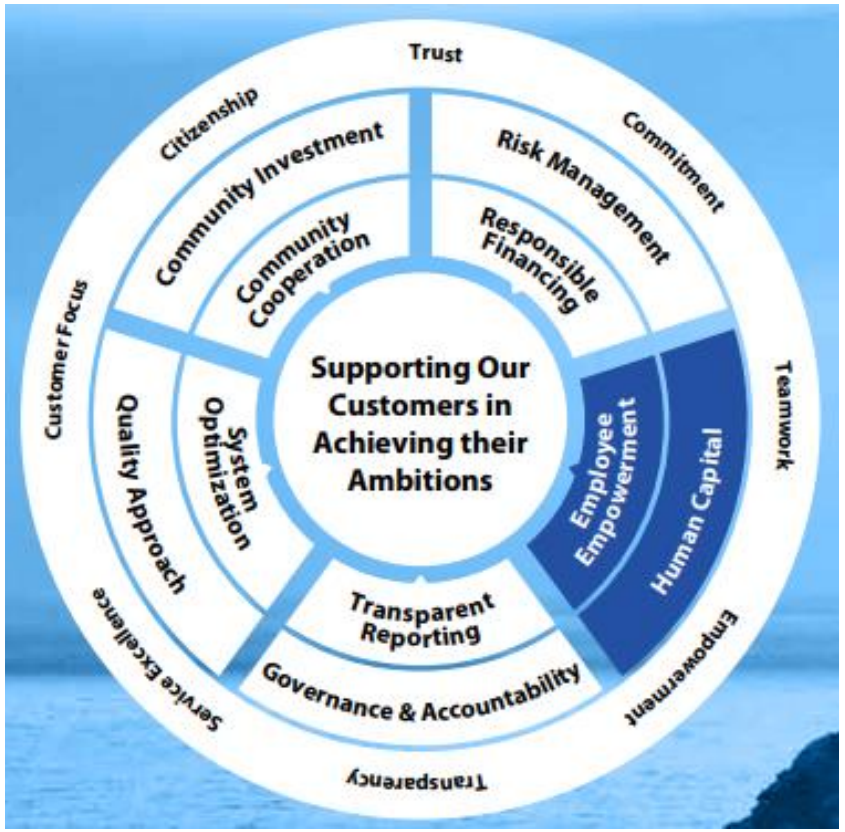
As part of the HR digitalization strategy, our Human Resources Division has expanded its services by launching the Online Interactive Career Path Model.

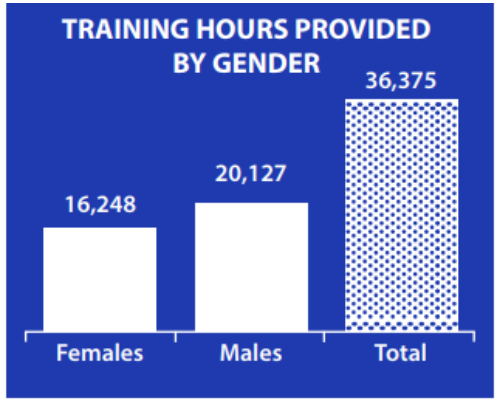
This model provides employees with a virtual outlook on career diversification at Arab Bank and the optimal leading path through scenarios' navigation.

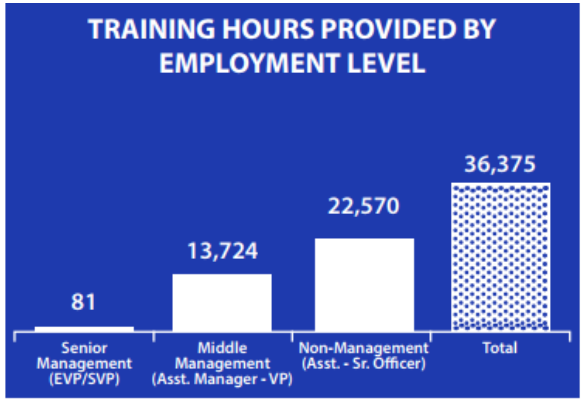
Arab Bank Sustainability Report 2016

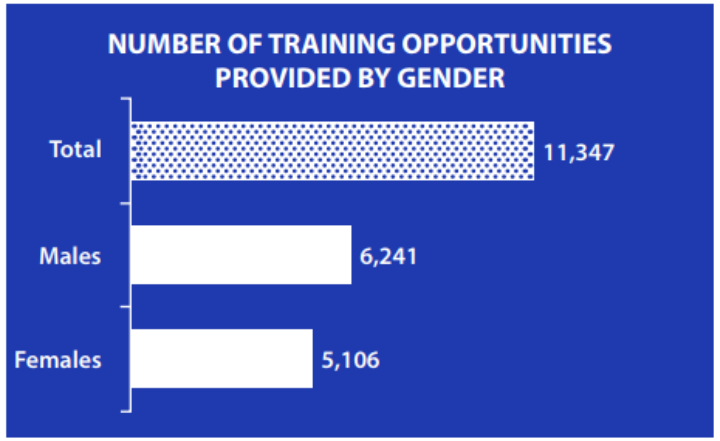
Sustainability reporting – example

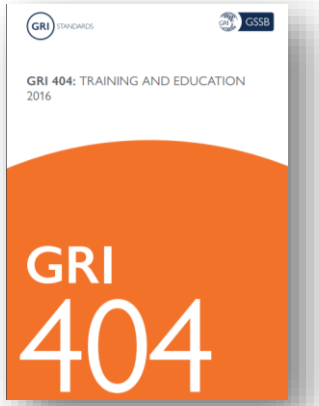
- Quantitative performance using comparable indicators











Arab Bank Sustainability Report 2016

SUSTAINABILITY EXCELLENCE

Sustainability reporting – example

- Disclosure index

APPENDIX D: GRI Content Index

This report has been prepared in accordance with the GRI Standards: Comprehensive option. The GRI Content Index below indicates the report disclosure and the location of the information in this report.

Materiality Disclosures Service
Arab Bank
May 2017

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation		
General Disclosure		
GRI 102: GENERAL DISCLOSURES 2016	Organizational profile	
	102-1	p. 2, 5
	102-2	p. 6
	102-3	p. 5
	102-4	p. 5
	102-5	p. 6
	102-6	p. 5
	102-7	p. 5, 7, 32, 2016 Annual Report
	102-8	p. 32-34
	102-9	p. 56
	102-10	No significant changes during 2016 in size, structure, ownership

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
	102-29	p. 41, 42, 43, Annual Report (Corporate Governance Guide Section)
	102-30	p. 44, 45, Annual Report (Risk Management Section)
	102-31	p. 42, 43
	102-32	p. 48
	102-33	p. 41, 42, Annual Report (Corporate Governance Guide Section)
	102-34	p. 41, 42, Annual Report (Corporate Governance Guide Section) Number and nature of critical concerns not disclosed, as information is subject to specific confidentiality constraints
	102-35	p. 41, 42, Annual Report (Corporate Governance Guide Section)

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
Supplier Environmental Assessment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 56
	103-3	p. 56
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	p. 56
	308-2	p. 56
GRI 400 Social Standard Series		
Employment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 32-33
	103-3	p. 32-33
GRI 401: EMPLOYMENT 2016	401-1	p. 33, 36-37
	401-2	p. 35
Training and Education		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 38-39
	103-3	p. 38-39
GRI 404: TRAINING AND EDUCATION 2016	404-1	p. 38-39
	404-2	p. 38-39
	404-3	p. 36
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 33-34, 42
	103-3	p. 33-34, 42
GRI 405: DIVERSITY	405-1	p. 33-34, 42

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
Local Communities		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 58, 59
	103-3	p. 58, 59
GRI 413: LOCAL COMMUNITIES 2016	413-1	p. 60-69
	413-2	No negative impacts have been identified.
Supplier Social Assessment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 56
	103-3	p. 56
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	p. 56
	414-2	p. 56, no cases of negative social impacts in the supply chain.
Marketing and Labeling		
RI 103: MANAGEENT APPROACH 016	103-1	p. 80
	103-2	p. 21
	103-3	p. 21
RI 417: MARKETG AND LABELING 016	417-1	p. 21
	417-2	No incidents of non-compliance reported in 2016.
	417-3	No incidents of non-compliance reported in 2016.
Customer Privacy		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 80
	103-2	p. 19-21
	103-3	p. 19-21

Arab Bank Sustainability Report 2016

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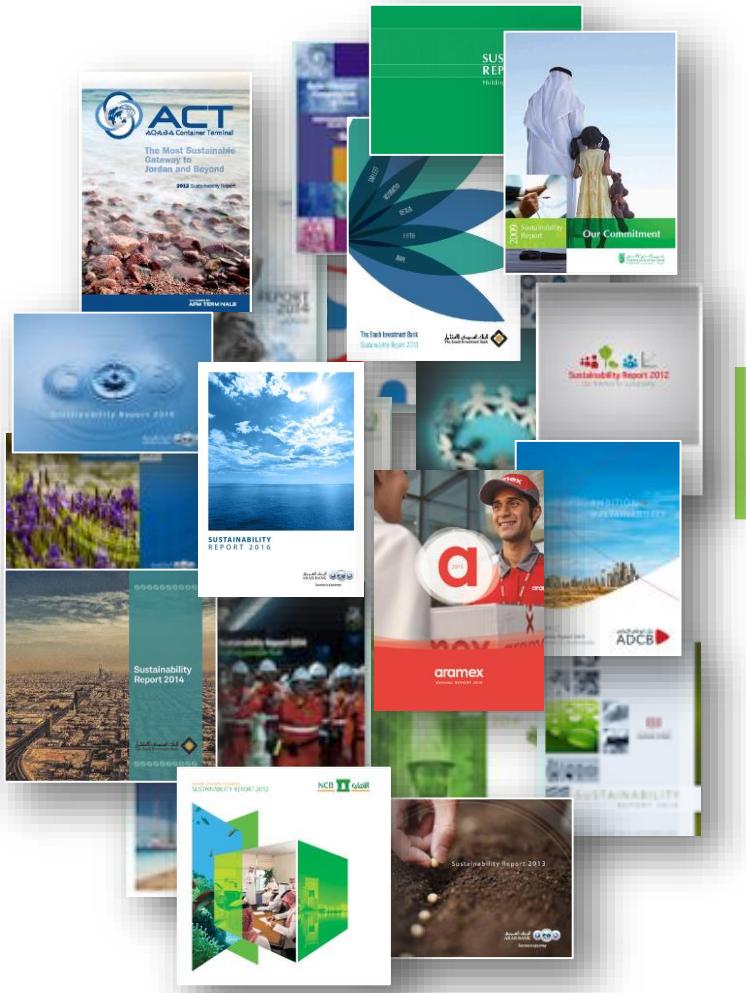
Sustainability reporting – data users

Organisation

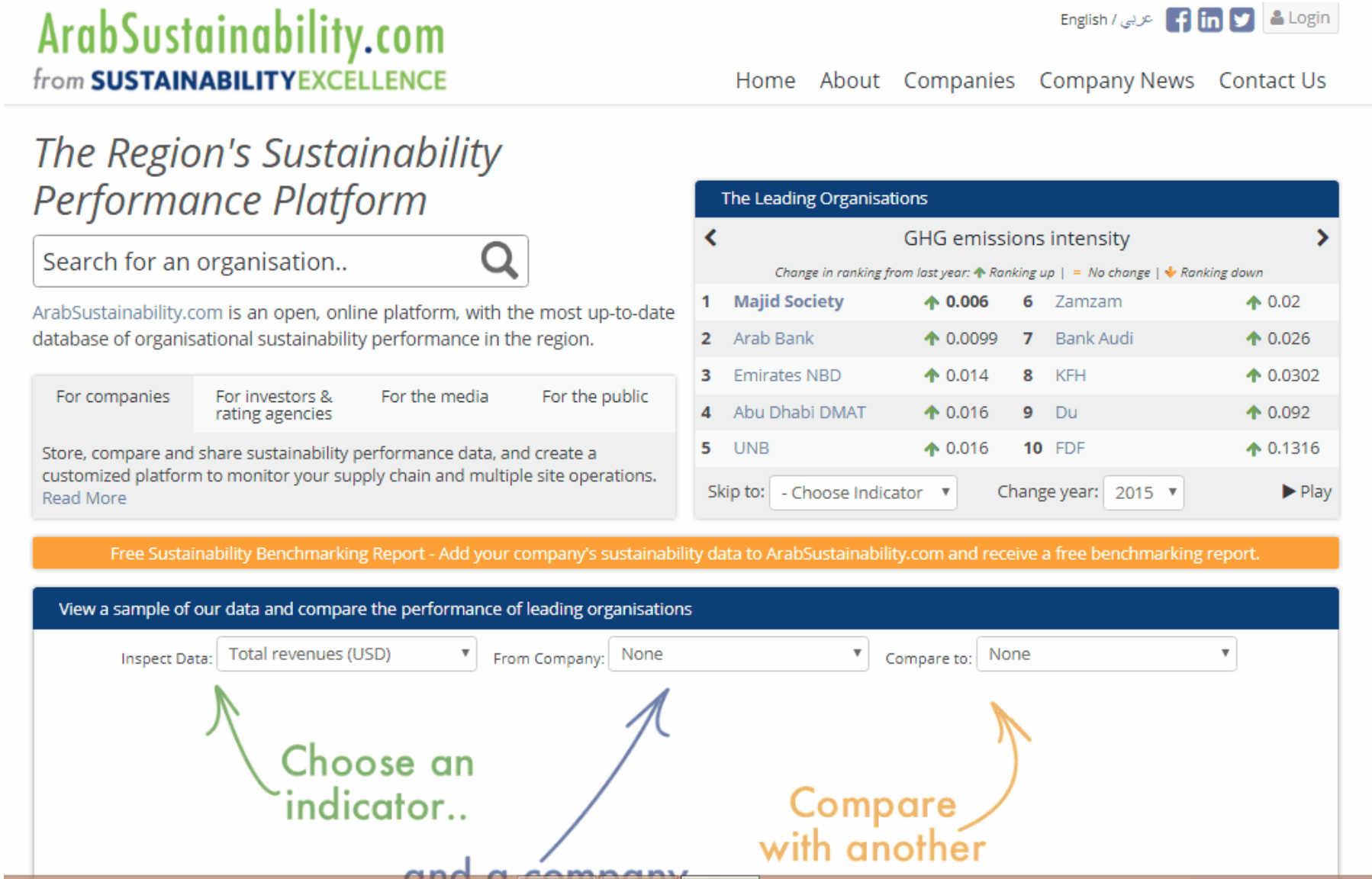


- Companies
- Public
- Government
- Investors/aggregators
- Media
- Associations
- Stock Exchanges

SUSTAINABILITY EXCELLENCE

Sustainability reporting – data users

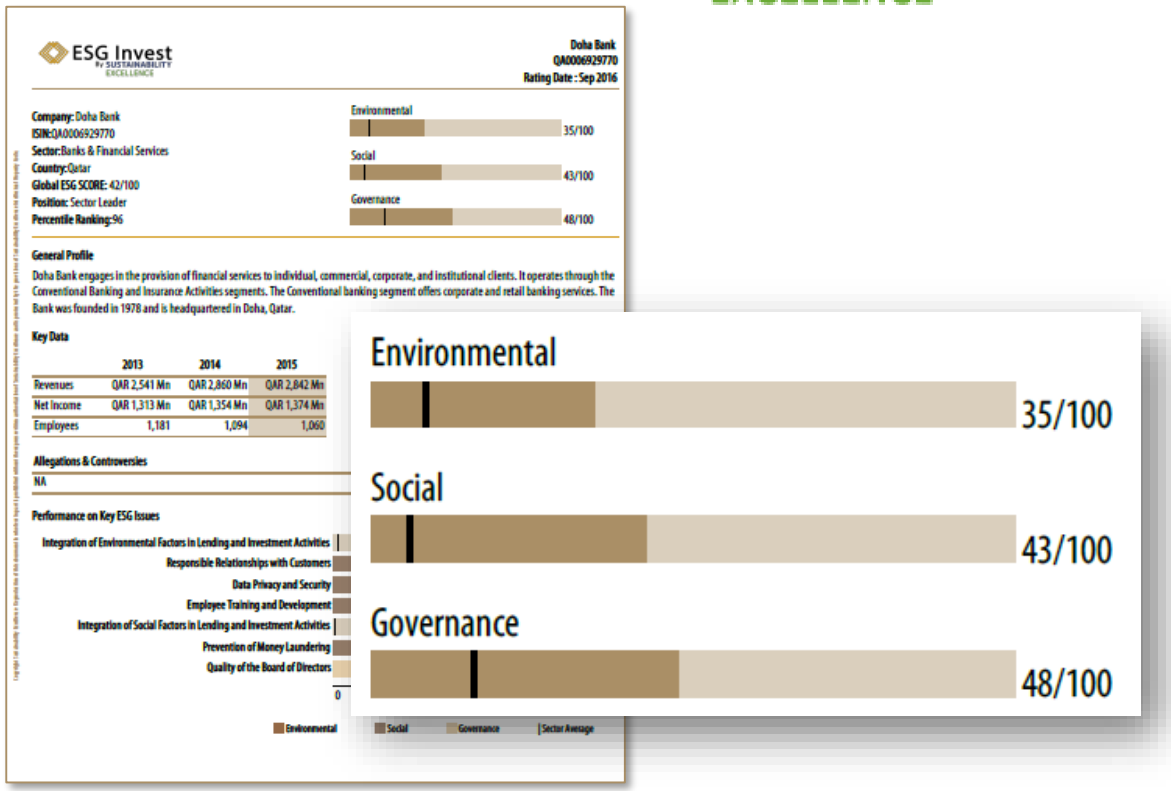
Companies



Sustainability reporting – data users

Investors/aggregators

ESG Invest
By SUSTAINABILITY EXCELLENCE



MSCI

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RANKING
Emerging 70

SUSTAINALYTICS

THOMSON REUTERS

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oekom research
AKTIENGESELLSCHAFT

Dow Jones Sustainability Indexes

SOLARON
Sustainability Services
We know emerging markets™

CDP
DRIVING SUSTAINABLE ECONOMIES

GMIRATINGS
Discover Key Measures of Value

inrate
Sustainable Investment Solutions

REPRISK
ESG Business Intelligence

maplecroft
Climate Innovation Indexes

EURONEXT
vigeo
World 120

Bloomberg

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Summary

- Sustainability = outperformance
- Sustainability reporting is becoming the norm
- GRI is the most widely used standard internationally
- Always cater to your data user (stakeholder) needs

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